

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1703 - HB 2160

February 22, 2018

SUMMARY OF BILL: Requires a county registrar to provide notice by mail to a landowner within 10 days of registration of a judgment lien filed against real property.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds 110,000*

Assumptions:

- Judgement liens may be recorded on parties that do not own land.
- In order for a county registrar to determine if the judgment lien is filed against a party that owns real property in the county where the lien is recorded, additional resources will be required.
- The precise number of judgement liens recorded is unknown; however, it is reasonably estimated to exceed 20,000 statewide.
- The cost to mail each letter is estimated to be \$0.50.
- The statewide mandatory recurring increase in local expenditures for county registrars to provide notice by mail to landowners is estimated to exceed \$10,000 (at least 20,000 instruments x \$0.50 per letter).
- Some counties will require additional part-time personnel or require current personnel to work additional hours to comply with the provisions of this legislation. The mandatory recurring increase in local expenditures for personnel statewide is estimated to exceed \$100,000.
- The total mandatory recurring increase in local government expenditures is estimated to exceed \$110,000 (\$100,000 + \$10,000).

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj